

RIBBLE VALLEY BOROUGH COUNCIL INFORMATION

REPORT TO POLICY & FINANCE COMMITTEE

Agenda Item No

meeting date: 26 JANUARY 2010
 title: REVENUES AND BENEFITS GENERAL REPORT
 submitted by: DIRECTOR OF RESOURCES
 principal author: MARK EDMONDSON

1 PURPOSE

1.1 To inform committee of debts outstanding for business rates, council tax and sundry debtors. Also to update committee on Benefits Performance, including Benefits Fraud investigations, Prosecutions and Sanctions.

1.2 Relevance to the Council's ambitions and priorities:

❖ **Council Ambitions/Community Objectives/Corporate Priorities**

Without the revenue collected from rates, council tax and sundry debtors we would be unable to meet the Council's ambitions, objectives and priorities.

2 NATIONAL NON-DOMESTIC RATES (NNDR)

2.1 The following is a collection statement to 13 January 2010:

	£000	£000	2009/10 % to 13 January	2008/09 % to 13 January
Balance Outstanding 1 April 2009		271		
NNDR amounts due	13,461			
Plus costs	7			
Transitional surcharge	6			
Write ons	8			
	13,482			
Less				
- Transitional relief	29			
- Exemptions	-510			
- Charity, Rural, Former Agricultural Discretionary Relief	-697			
- Small Business Rate Relief	-653			
- Write offs	-60			
- Interest Due	-4			
	-1,895	11,587		
Total amount to recover		11,858		
Less cash received to 10 November		-10,316	87.0	88.0
Amount Outstanding		1,542	13	12

NB The figures included in the table include not only those charges for 2009/10 but also those relating to previous years, but we are required to report to the Department of Communities and Local Government (DCLG) our in year collection rate. This figure is published and is used to compare our performance with other local authorities. On this measure our current in year collection rate at 31 December 2009 is 86.5% compared with 87.1% at 31 December 2008. This reduction is due to the current credit crunch/recession and the alteration to the Rateable Value of BAE systems at Samlesbury.

3 COUNCIL TAX

3.1 The following is a collection statement for Council Tax to 13 January 2010:

	£000	£000	2009/10 % to 13 January	2008/09 % to 13 January
Balance Outstanding 1 April 2009		382		
Council Tax amounts due	36,548			
Plus costs	49			
Transitional relief	2			
Write ons	6			
	36,605			
Less - Exemptions	-917			
- Discounts	-2,815			
- Disabled banding reduction	-39			
- Council Tax Benefit	-2,201			
- Write offs	-19			
	-5,991	30,614		
Total amount to recover		30,996		
Less cash received to 13 January		-27,325	88.2	88.4
Amount Outstanding		3,671	11.8	11.6

NB The figures included in the table include not only those charges for 2009/10 but also those relating to previous years, but we are required to report our in year collection rate to the DCLG. This figure is published by them and is used to compare our performance against other local authorities. On this measure our current in year collection rate at 31 December 2009 is 87.7% compared to 88.0% at 31 December 2008. This small reduction is due to the current credit crunch/recession.

4 SUNDRY DEBTORS

4.1 A summary of the sundry debtors account at 18 January 2010 is:

	£000	%
Amount Outstanding 1 April 2009	270	
Invoices Raised	1,266	
	1,536	100
Less Paid	1,244	81
Total Outstanding	292	19

Aged Debtors	000s	%
< 30 days	87	29.8
30 - 59 days	18	6.2
60 - 89 days	7	2.4
90 - 119 days	19	6.5
120 – 149 days	9	3.1
150+ days	152	52.0
	292	100

5 HOUSING BENEFIT – PERFORMANCE

5.1 The main indicators for Housing Benefit and Council Tax Benefit performance are the National Indicators for Right Benefit and Right Time. The benefit section also report on Local Performance Indicator's that have been set within the department for Benefit fraud and Overpayments.

The Department of Work and Pensions does not require Local Authorities (LA's) to report on any other Performance Measures but encourages them to monitor their own performance locally.

The Audit Commission recommends that LA's continue to monitor benefit fraud and also overpayment data.

5.2 HOUSING BENEFIT RIGHT BENEFIT AND RIGHT TIME INDICATORS 2009/2010

The right benefit indicator measures the number of changes of circumstances established by LA's which affect customers' HB/CTB entitlement within the year.

The purpose of the right benefit indicator is to ensure that LA's are focused on accurately maintaining their caseload and establishing whether their customers have undergone any change of circumstances (CIC), which might affect their benefit entitlement.

The average Right Benefit Indicator for the period 1 April 2009 – 27 October 2009

Target for Year	Actual Performance	Average Performance
2,700	2,791	No target set by DWP

Right time indicator for period 1 October 2009 to 31 December 2009

The right time indicator will measure the time taken to process HB/CTB new claims and change events; this includes changes in circumstances, interventions, fraud referrals and prints generated by the benefit department.

Target for quarter	Actual Performance	Average Performance
13 days	12.42 days	20 days per IRRV

Performance for new claims

Target for quarter	Actual Performance	Top Grade 4 for all LA's 2007/08
21 days	20 days	Under 30 days

6 HOUSING BENEFIT FRAUD

6.1 The following is summary of fraud investigation for the period 1 October 2009 to 31 December 2009

Completed fraud investigations	
1.10.2009. – 31.12.2009.	39

Average caseload (YTD)	
2009/2010	2,677

Number of investigations per 1,000 caseload		
2009/2010	39/2,671	14.56

6.2 Number of Housing/Council Tax Benefit Prosecutions and Sanctions per 1,000 caseload

The following is a summary of fraud prosecutions and sanctions for the period 1 October 2009 to 31 December 2009.

2009/2010	
Cautions	3
Administrative penalties	0
Successful prosecutions	1
Total	4

Average caseload (YTD)	
2009/2010	2,677

Number of prosecutions/sanctions per 1,000 caseload		
2009/2010	4/2,677	1.49

- 6.3 Ribble Valley Borough Council has brought three formal cautions and one prosecution for benefit fraud during the period 1 October 2009 to 31 December 2009.

All the above offences were a result of failing to report a change in their circumstances promptly. These have created overpayments in Housing/Council Tax benefit for £4,643.81. The claimant prosecuted was also given 60 hours unpaid community work and incurred £300 costs for the prosecution.

7 HOUSING BENEFIT OVERPAYMENTS

- 7.1 Overpayment means any amount paid as Housing Benefit when there was no entitlement under the regulations. The performance for the period 1 October 2009 to 31 December 2009 is as follows:

Performance Measure	%
The amount of Housing Benefit (HB) overpayments recovered during the period being reported on as a percentage of HB overpayments deemed recoverable during that period.	81.74
The amount of Housing Benefit (HB) overpayments recovered during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the financial year plus amount of HB overpayments identified during the period.	19.54
The amount of Housing Benefit (HB) overpayments written off during the period as a percentage of the total amount of HB overpayment debt outstanding at the start of the financial year, plus amount of HB overpayments identified during the period.	0.00

- 7.2 Summary of write-offs for period 1 October 2009 to 31 December 2009 undertaken by the Benefit Manager or Team Leader.

The Benefit Section has written off the following overpayments for the period above:

	Number	Amount
Write offs up to £15.00	1	£0.27

8 RECOMMENDED THAT COMMITTEE

- 8.1 Note the continuing progress that we make in collecting these debts, and the performance of our Housing Benefit Section remains excellent.

REVENUES AND BENEFITS MANAGER

PF5-10/ME/AC
13 January 2010